

"Statements on Introduced Bills and Joint Resolutions.")

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair. I will be brief, I say to my colleagues. I will stay under 5 minutes.

RISE IN GASOLINE PRICES

Mr. WELLSTONE. Mr. President, I come to the floor to read a letter that I have today as the Senator from Minnesota sent out to a number of oil companies in our country.

I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 2, 1996.

Much has been said recently about the rise in the price of gasoline, attributing this rise to a number of factors. As you may know, the Senate Energy and Natural Resources Committee, of which I am a member, will be holding a hearing to look into this matter on May 9, 1996.

My understanding of the industry position on this question is that several unrelated factors have led to the recent increase of gasoline prices: high demand for heating oil due to the long winter, seasonal refinery maintenance practices, refinery shutdowns, and the failure of Iraqi oil to enter the market as expected. Although all of these are credible explanations, there is an argument that runs counter to this position which I would like you to address.

The crux of my concern relates to the industry practice of "just-in-time" inventory management. It appears that the inventories of crude oil and petroleum products are now being held by the industry at significantly lower levels than have historically been the practice. In fact, a particularly significant drop in inventories seems to have occurred during the summer of 1995, not during the winter as one might expect. As you know, when inventory levels are so low as to impact the availability of gasoline, consumers and the economy can be exposed to the risk of price spikes by otherwise unremarkable increases in demand. My fear is that while oil companies may use this management technique to save money, the result is that the consumer may end up paying the price.

I would hope that the oil industry would not use this management technique to ring up huge profits on the backs of the American consumer.

In helping me prepare for any upcoming action in the Senate Energy and Natural Resources Committee, please explain why industry inventories of crude oil and petroleum products have been maintained recently so far below the usual level, and what effect "just-in-time" inventory management may have had in contributing to or aggra-

vating the current price increase. In crafting your response, please explain why inventories were reportedly decreased so drastically in June and July of 1995. In addition, I would appreciate knowing whether the matter of low inventories or any other issues relating to the recent increase in the consumer price of gasoline have been the subject of discussions between representatives of your company and other officials in the industry. Finally, please provide any further information you feel may be useful to me and to the Committee in our review of this matter.

Thank you for your prompt reply.

Sincerely,

PAUL D. WELLSTONE,
U.S. Senator.

Mr. WELLSTONE. Mr. President, I will quote from sections of the letter:

Much has been said recently about the rise in the price of gasoline, attributing this rise to a number of factors. As you may know, the Senate Energy and Natural Resources Committee, of which I am a member, will hold a hearing to look into this matter on May 9, 1996.

That is next week.

My understanding of the industry position on this question is that several unrelated factors have led to the increase of gasoline prices: high demand for heating oil due to the long winter, seasonal refinery maintenance practices, refinery shutdowns, and the failure of Iraqi oil to enter the market as expected. Although all of these are credible explanations, there is an argument that runs counter to this position which I would like you to address.

This letter is in the spirit of all of us having the information we need to make responsible decisions.

Mr. President, what I am talking about is what ways this low inventory may have affected this spike in the prices that consumers are experiencing. Since there has been a lot of information that has been coming around, or at least a lot of speeches given, it seems to me one of the things we want to do as Senators, whether we are Republicans or Democrats, is get to the bottom of this and try to really understand the why of this spike, the why of this rather dramatic increase in gasoline prices.

These low inventories, really record low inventories, are something that I think we ought to look at. Undoubtedly, this saves money for the companies. But on the other hand, what happens if demand goes up at all with the inventory, the supplies, kept down by the oil companies? Then your supply-and-demand curve is such that it could lead to the very spike in prices that we are now experiencing in the country.

I have sent this letter to the oil companies. I am hoping that they will be forthcoming with the requested information. On May 9, in the Energy and Natural Resources Committee, I will put the questions to the oil companies. I hope they will be accountable. Those of us in the U.S. Senate, Democrats and Republicans alike, will have this information. I think it is a very important issue. I think it is extremely important that we understand what is now happening to consumers that we represent. I yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

IMMIGRATION CONTROL AND FINANCIAL RESPONSIBILITY ACT OF 1996

The Senate continued with the consideration of the bill.

Mr. BRYAN. Mr. President, I understand my distinguished colleague, the senior Senator from Florida, wishes to speak shortly, but that he needs a little more time. If there is no objection from the floor managers, I will make some general comments about the bill at this time, if I may.

Mr. President, I think it is appropriate at this time, as we are, hopefully, nearing the conclusion of our debate on this important piece of legislation, to make some general observations and comments. First, to acknowledge the leadership of Senator SIMPSON. What has been accomplished, in my judgment, could not have been accomplished in earlier Congresses. I commend his leadership. Although the distinguished ranking member of the subcommittee has not been in agreement on all parts of the piece of legislation, I believe that Senator KENNEDY's role in this has been a constructive part of a process which, in my judgment, will make major changes in our immigration enforcement efforts.

Some time last year, I had the pleasure of testifying before the Immigration Subcommittee in support of S. 269, Senator SIMPSON's illegal immigration reform bill. I am pleased that the legislation that we have been debating these past few days essentially deals with the scope and the manner which the bill that I testified on last year covered.

I want to preface my remarks by re-emphasizing a point that I made at the time, which I think is valid in the context of the debate this year. That is, that there are those who are critics of our attempts to reform the immigration laws in this country who suggest that our efforts are somehow mean-spirited or even "xenophobic." In my view, that is not only an unfair characterization; it is an opinion that is completely out of touch with the realities of our time.

The Commission on Immigration Reform, chaired by the late Honorable Barbara Jordan, responded to this in the 1994 report to the Congress in which she and the members of the Commission concluded:

We disagree with those who would label efforts to control immigration as being inherently anti-immigrant. Rather, it is both a right and a responsibility of a democratic society to manage immigration so that it serves the national interest.

Mr. President, first and foremost, it is and it has always been the province, and indeed the responsibility, of the Congress to establish and to provide the means of enforcing our country's immigration laws and to do so in the national interest.